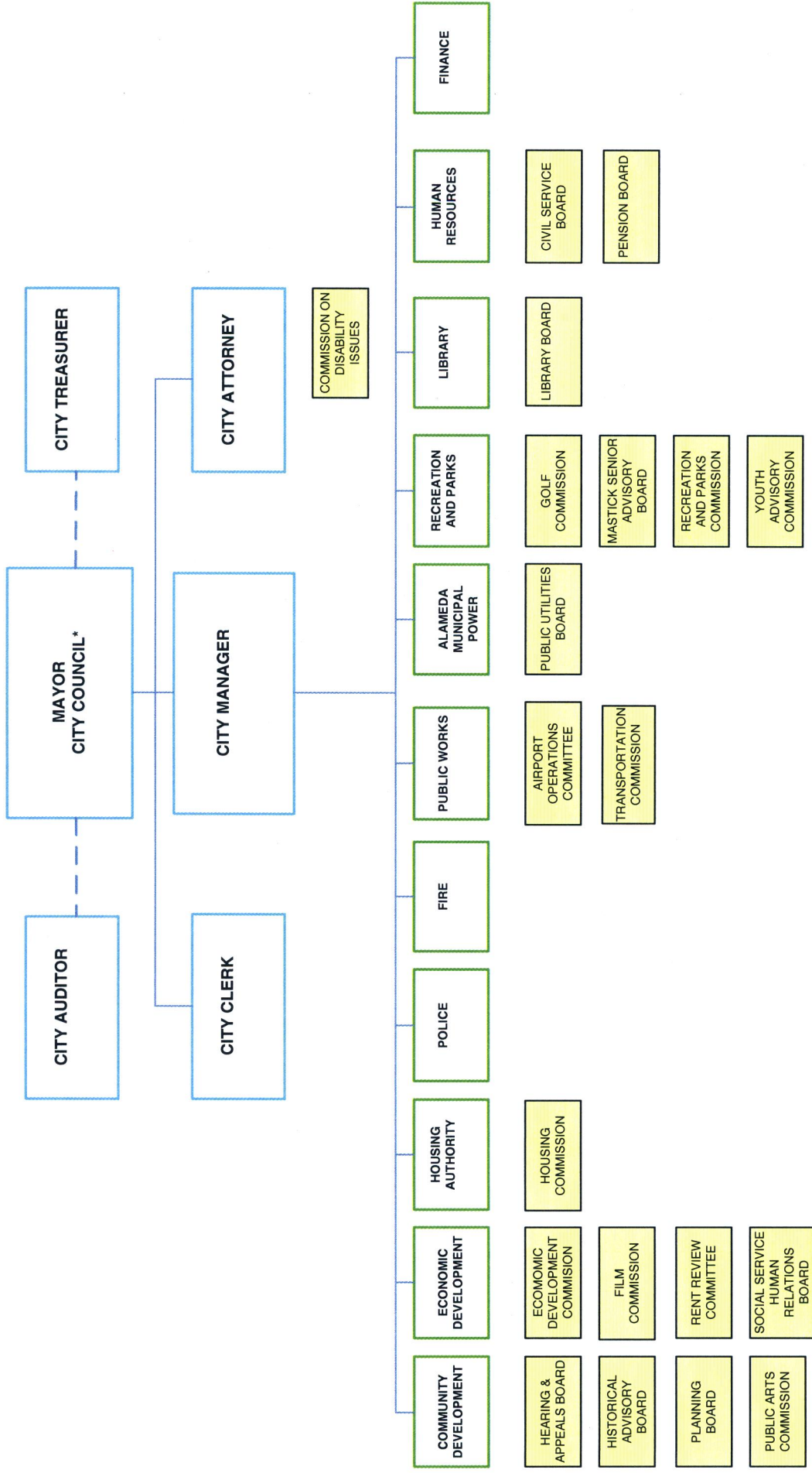


Budget Highlights

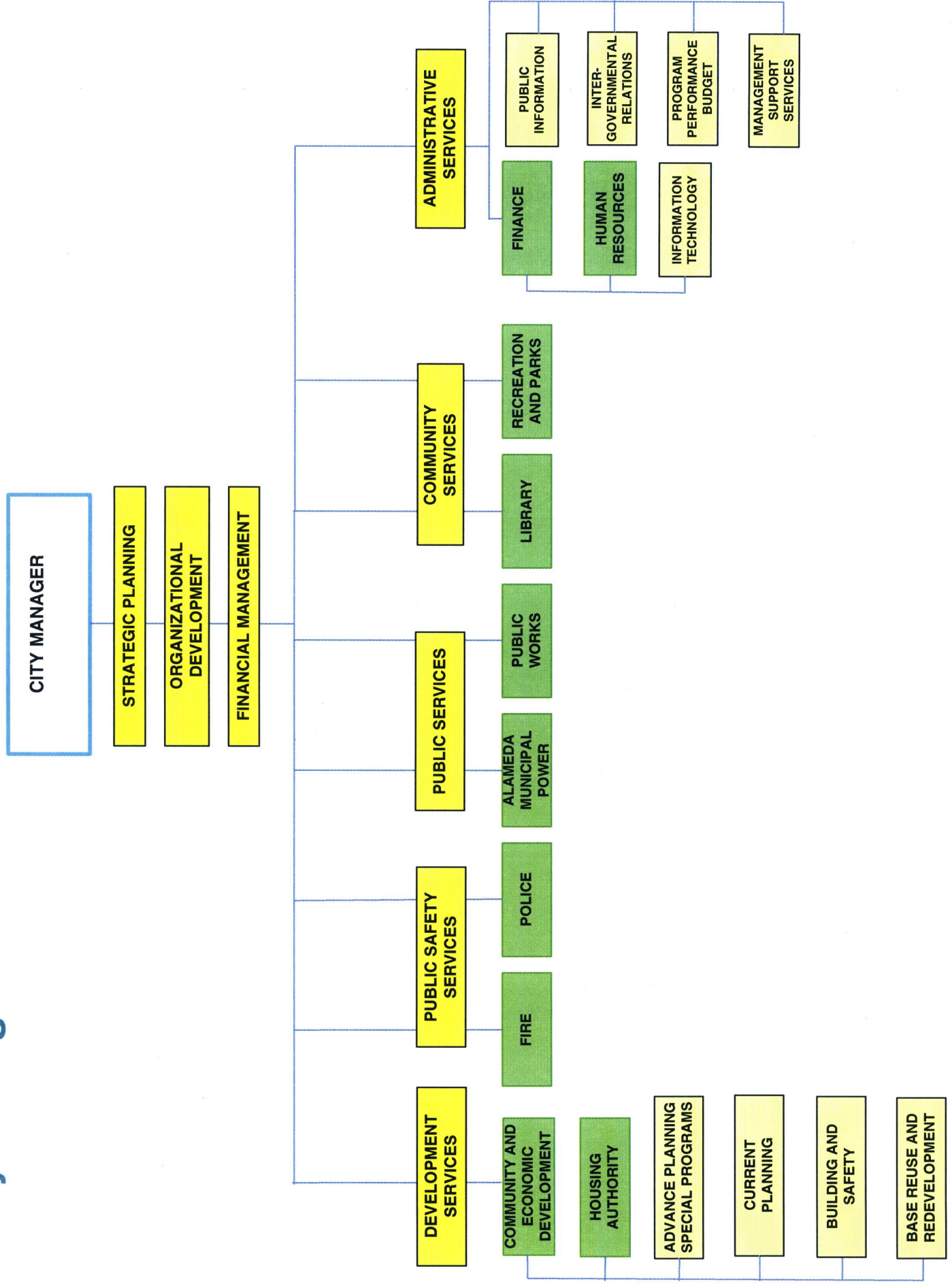
(Note: This narrative summary of key budget and policy highlights will be incorporated into the final budget document, after discussion and subsequent approval of the Finance staff report, the Gann resolutions and related budget actions on August 3, 2009.)

City of Alameda



*Alameda Reuse & Redevelopment Authority (ARRA)
Community Improvement Commission (CIC) and
Housing Authority Board of Commissioners (HABOC)

City Manager



Organizational Focus

The City of Alameda organization, like many municipal organizations in the State, is challenged by diminishing financial resources. Reliable, recurrent revenues are declining; operational, personnel expenses are escalating. Notwithstanding this challenge, a managing for results program-performance-based system will enable the City organization to fulfill its core mission within allocated resources.

CORE MISSION The mission of the City of Alameda municipal organization is to create and maintain a community where people can live, work, and play in a sustainable urban environment that is safe, vibrant, and aesthetically pleasing.

CORE GOAL To provide efficient and effective municipal services that support the organization's core mission.

CORE VALUES Organizational core values reflect the operational principles by which management and employees provide the level of service the community expects and deserves.

Innovation Encourage new ideas which fulfill the policy direction of the elected officials and which meet the needs of the community in a creative and progressive manner.

Integrity Maintain high moral standards and ethical principles in all decisions.

Professionalism Strive for leadership in management, and in the training and development of the organizational workforce.

Flexibility Achieve a versatile and dynamic organization demanded by present economic realities.

Responsiveness Serve elected officials and the constituents they represent with mutual respect and sensitivity.

Managing for Results

The FY09-10 Annual Budget and FY10-11 Budget Forecast introduce a program performance based resource allocation plan for the City of Alameda. This budgeting approach will require a two “budget” year conversion process in order to perfect program descriptions; develop quantifiable objectives; track measurable performance indicators; and evaluate program results.

Managing for results establishes an organizational framework which ensures that the departments are doing the most important things well. A primary component of managing for results is the development and use of performance measures to assess the quality of City programs, and gauge progress in achieving key objectives. Program based performance measurement also aligns resources with an organization's overall mission, values and goals.

This organizational construct is illustrated below:

Managing for Results: Organizational Framework



Throughout this first year of the “managing for results process,” departments will measure and make necessary adjustments to program objectives and performance measurements in order to refine budget reporting. These adjustments will then be incorporated into the final FY10-11 and FY11-12 budget document as the basis for results-oriented management and the first complete program-performance-based two year budget document. Simultaneously, this results-based process is incorporated into the management evaluation process, linking employee performance with program results.

Goals and Objectives Setting Process

Mission - or purpose statements - are the basis for which the department was created; and, in the aggregate, the reason for which the organization exists. Goals established by departments are driven by the department's mission. Goals are operational statements of broad direction or intent, based upon what a program expects to achieve sometime in the future. A goal provides a general description of an overall desired state. An objective is defined as a targeted outcome – something to be accomplished – in specific, well-defined and measurable terms. Goals are timeless; objectives are achievable within a specific time frame.

The executive management team developed departmental goals based upon mission (purpose) statements previously drafted, and validated through various internal and external organizational processes – such as past Council budget workshops; board, commission and committee direction setting; and vertical and horizontal team management sessions. Departmental goals and key program objectives will be refined in FY09-10 to adhere more succinctly with the aforementioned definitions, and then incorporated in the final FY10-11 and FY11-12 two year program-performance-based budget.

Further emphasis on executive leadership, senior management team development and all-level management training for “performance results” is a focus in this initial year of conversion to program-performance-based budgeting. In FY09-10, vertical and horizontal management training and team development will occur, in order to improve inter- and intra- departmental team results.

Performance Measurements

Performance measures are key components in Managing for Results, as measures assess the quality of City programs, gauge progress in achieving program objectives of efficiency and effectiveness in services provided. Performance measure refers to a specific quantitative or qualitative assessment of results obtained by a program.

As the initial step in implementing managing for results, departments selected pilot measurement programs for the FY09-10 budget year and FY10-11 forecast. This approach permits the entire organization to begin “tracking” in a results oriented focus. Through FY09-10, departments will continue evaluating programs and measurements in order to refine both by the final FY10-11 and FY11-12 budget document.